## IN THE CLAIMS

Please cancel claims 41-65 and 77-84. Please amend claims 1, 6, 10, 11, 15, 17, 23, 27, 34, 66, 69, 73 and 74, as indicated below.

1. (Currently Amended) A portable card comprising:

a substrate having a predetermined shape; and

an accessible embedded storage member having at least one layer of storage material for storing information enclosed by said substrate, said storage member and said substrate being adapted to be transported relative to each other to expose at least a portion of said storage member to facilitate processing of stored information and for embedment of said storage member within said substrate.

- 2. (Original) The portable card of claim 1 wherein said storage member is in the form of an elongated strip member.
- 3. (Original) The portable card of claim 1 wherein said storage member is in the form of a circular member.
- 4. (Original) The portable card of claim 1 wherein said substrate has first layer and a second layer each having an obverse side and a converse side operatively coupled to each other with the obverse side of said first layer positioned in an opposed relationship from the converse side of said second layer enabling at least a portion of said first layer to be moveable relative to said second layer and wherein a storage member is located on at least one of the obverse side of said first layer and converse side of said second layer.



- 5. (Original) The portable card of claim 4 wherein first layer and a second layer are pivotally mounted relative to each other enabling movement in a first direction exposing at least a portion of at least one of the storage member located on the obverse side of said first layer and the storage member located on the converse side of said second layer to facilitate processing of stored information and enabling movement in a direction opposite to said first direction to embed said at least one storage member within said substrate.
- 6. (Currently Amended) A portable card adapted to interact with a data processing station when the portable card and a the data processing station are moved relative to each other, said data storage device including comprising:
- a substrate having a predetermined shape; and an accessible embedded storage member enclosed within said substrate, said accessible storage member having at least one layer of storage material for storing information in a predetermined format for processing by a data processing station, said storage member and said substrate being adapted to be transported relative to each other to expose at least a portion of said storage member to a data processing station to facilitate processing of stored information and for embedment of said storage member within said substrate.
- 7. (Original) The portable card of claim 6 wherein said at least one layer of storage material for storing information in a predetermined format is a magnetic medium.
- 8. (Original) The portable card of claim 6 wherein said at least one layer of storage material for storing information in a predetermined format is an optical medium.



- 9. (Original) The portable card of claim 6 wherein said at least one layer of storage material for storing information in a predetermined format is a magneto-optical medium.
- 10. (Currently Amended) The portable card of claim 6 wherein said at least one layer of storage material for storing information in a predetermined format is at least one layer of high density, high coercivity magnetic material f or storing magnetic signals.
- 11. (Currently Amended) The portable card of claim 6 further comprising:

a relatively hard, an abradeable protective coating formed on said magnetic material layer and being selected to have a thickness between a maximum thickness which would materially attenuate magnetic signals passing between said magnetic material layer and a transducer and a minimum thickness enabling said protective coating to be abraded by usage in an ambient natural atmosphere operating environment for removing therefrom a known quantity of the protective coating.

- 12. (Original) The portable card of claim 6 wherein said substrate is moved relative to said data processing station.
- 13. (Original) The portable card of claim 6 wherein said data processing station is moved relative to said substrate.
- 14. (Original) The portable card of claim 6 wherein said data processing station and said substrate are moved relative to each other.

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- 15. (Currently Amended) A portable card adapted to be used in a card processing system having a data processing station comprising:
  - a substrate having a predetermined shape; and
- a removable and reinsertable accessible embedded storage member having at least one layer of storage material for storing information enclosed by said substrate, said storage member and said substrate being adapted to be transported relative to each other to remove and expose at least a portion of said storage member to facilitate processing of stored information by a data processing station and for embedment of said storage member within said substrate.
- 16. (Original) The portable card of claim 15 wherein said storage member has at least one layer of high density, high coercivity magnetic material for storing magnetic signals.
- 17. (Currently Amended) The portable card of claim 16 wherein said storage member further includes:

a relatively hard, an abradeable protective coating formed on said magnetic material layer and being selected to have a thickness between a maximum thickness which would materially attenuate magnetic signals passing between said magnetic material layer and a transducer and a minimum thickness enabling said protective coating to be abraded by usage in an ambient natural atmosphere operating environment for removing therefrom a known quantity of the protective coating.

18. (Original) The portable card of claim 17 wherein said at least one magnetic material layer is a thin film layer of high density, high coercivity magnetic material having a predetermined magnetic field orientation for storing data.

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- 19. (Original) The portable card of claim 17 wherein the protective coating has at least one layer which includes a magnetically permeable, magnetically saturable material.
- 20. (Original) The portable card of claim 17 wherein the protective coating has at least two layers wherein one of said layers includes a magnetically permeable, magnetically saturable material and the other of said layers is a non-magnetic friction reducing layer formed on said one of said layers.
- 21. (Original) The portable card of claim 17 wherein said at least one magnetic material layer is formed of a high density, high coercivity magnetic material having a predetermined magnetic field orientation and wherein said protective coating has at least one layer which includes a magnetically permeable, magnetically saturable material and wherein said data storage device further includes:

a non-magnetic material layer positioned between the protective coating and said at least one magnetic material layer, said magnetically permeable, magnetically saturable material being responsive through said non-magnetic layer to predetermined magnetic field orientation to produce a magnetic image field in a direction opposite to said predetermined magnetic field orientation.

22. (Original) The portable card of claim 17 said at least one magnetic material layer is formed of a high density, high coercivity magnetic material having a predetermined magnetic field orientation and wherein said protective coating has at least two layers wherein said one of said layers includes a magnetically permeable, magnetically saturable material and the other of said layers is a non-magnetic abrasion friction

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reducing layer formed on said one of said layers and wherein said data storage device further includes:

a non-magnetic material layer positioned between the protective coating and said at least one magnetic material layer, said magnetically permeable, magnetically saturable material being responsive through said non-magnetic layer to predetermined magnetic field orientation to produce a magnetic image field in a direction opposite to said predetermined magnetic field orientation.

23. (Currently Amended) A portable card adapted to be used in a card processing system having a data processing station comprising:

a substrate having a substantially planar and generally rectangular shape; and

at least one removable and reinsertable accessible embedded storage member having at least one layer of storage material for storing information enclosed by said substrate, said storage member and said substrate being adapted to be transported relative to each other to remove and expose at least a portion of said storage member to facilitate processing of stored information by a data processing station and for embedment of said storage member within said substrate.

- 24. (Original) The portable card of claim 23 wherein said at removable and reinsertable accessible embedded storage generally rectangular in shape.
- 25. (Original) The portable card of claim 23 wherein said at removable and reinsertable accessible embedded storage generally circular in shape.

- 26. (Original) The portable card of claim 23 wherein said substrate encloses at least two removable and reinsertable accessible embedded storage members which are generally rectangular in shape.
- 27. (Currently Amended) The portable card of claim 23 wherein said substrate encloses at least three removable and reinsertable accessible embedded storage members which are generally rectangular in shape.
- 28. (Original) The portable card of claim 23 wherein said substrate has two opposing surfaces and one of said two opposing surfaces includes an integrated circuit located thereon.
- 29. (Original) The portable card of claim 23 wherein said data processing station includes a transducer.
- 30. (Original) The portable card of claim 23 wherein said at least one layer of storage material is a magnetic medium and said transducer is an inductive head.
- 31. (Original) The portable card of claim 23 wherein said at least one layer storage material is a magnetic medium and said transducer is a thin film head.
- 32. (Original) The portable card of claim 23 wherein said at least one layer storage material is a magnetic-optical medium and said transducer is a magnetoresistive head.
- 33. (Original) The portable card of claim 23 wherein said at least one layer storage material is a magnetic medium and said transducer is a giant magnetoresistive (GMR) head.

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- 34. (Currently Amended) The portable card of claim 30 wherein said at least one layer layer of magnetic material has a predetermined magnetic field orientation that is substantially perpendicular to a data processing station.
- 35. (Original) The portable card of claim 30 wherein said at least one layer of magnetic material has a predetermined magnetic field orientation that is substantially parallel to a data processing station.
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- 36. (Original) The portable card of claim 30 wherein said at least one layer of magnetic material has a predetermined magnetic field orientation that is at an acute angle to a data processing station.
- 37. (Original) The portable card of claim 30 wherein said magnetic medium is at least one thin film layer of high density, high coercivity magnetic material is a sputtered layer.
- 38. (Original) The portable card of claim 37 wherein said magnetic medium is least one thin film layer of high density, high coercivity magnetic material is a platted layer.
- 39. (Original) The portable card of claim 30 wherein said at least one thin film layer of high density, high coercivity magnetic material is an oxide layer.
- 40. (Original) The portable card of claim 31 wherein said at least one thin film layer of high density, high coercivity magnetic material is a web coated layer.

41-65. (Cancelled)

66. (Currently Amended) A data storage device comprising a substrate; and

an accessible embedded storage member having a predetermined shape, said storage member having at least one layer of storage material for storing information enclosed by said substrate, said storage member and said substrate being adapted to be transported relative to each other to expose at least a portion of said storage member to facilitate processing of stored information.

- 67. (Original) The data storage device of claim 66 wherein said storage member and said substrate are adapted to be transported relative to each other for embedment of said storage member within said substrate.
- 68. (Original) The data storage device of claim 66 wherein said storage member includes at least one layer of high density, high coercivity magnetic material for storing data.
- 69. (Currently Amended) The data storage device of claim 68 wherein said storage member includes:

a relatively hard, an abradeable protective coating formed on said magnetic material layer and being selected to have a thickness between a maximum thickness which would materially attenuate magnetic signals passing between said magnetic material layer and a transducer and a minimum thickness enabling said protective coating to be abraded by usage in an ambient natural atmosphere operating environment for removing therefrom a known quantity of said protective coating material.

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- 70. (Original) The data storage device of claim 69 wherein the magnetic material layer is formed of a substantially isotropic material.
- 71. (Original) The data storage device of claim 70 wherein the isotropic material is a magnetic thin film alloy including platinum.
- 72. (Original) The data storage device of claim 69 wherein the magnetic material is formed of an anisotropic material.
- 73. (Currently Amended) A magnetically encoded card comprising a substrate having a predetermined shape; and

an accessible embedded storage member having at least one layer of magnetic recording material for storing information enclosed by said substrate, said storage member and said substrate being adapted to be transported relative to each other to expose at least a portion of said storage member to facilitate processing of stored information by a transducer and for embedment of said storage member within said substrate.

74. (Currently Amended) The magnetically encoded card of claim 73 further comprising:

a relatively hard, bendable, abradeable protective coating formed on said at least one layer of magnetic material and being selected to have a thickness between a maximum thickness which would materially attenuate magnetic signals passing between said magnetic material layer and a transducer and a minimum thickness enabling said protective coating to be abraded by usage in an ambient natural atmosphere operating environment for removing therefrom a known quantity of the protective coating.

75. (Original) The magnetically encoded card of claim 74 wherein said protective coating includes a magnetically permeable, magnetically saturable material as an independent layer disposed on said substrate.

76. (Original) The magnetically encoded card of claim 75 wherein said protective coating includes a non-magnetic friction resisting material as a separate layer disposed on said magnetically permeable, magnetically saturable material.

77-84. (Cancelled)

13

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